

INSTRUCTIONS FOR REPLACEMENT TAX FORM C

Adjustment to Assessed Value - Reporting Requirements

1. Fill out the entity name, address, contact person and phone number. The contact person should be an individual that can answer any questions regarding this report. All reports must be returned to the Department of Revenue at the address listed at the bottom of the attestation. **If you are required to file a FERC or RUS report, please include a copy of this report with Form C.**
2. **Step 1:** Report the 2008 beginning and ending balances of taxable operating utility property in Iowa. On a separate sheet, you must reconcile the difference from what is reported here and what is reported on your entity's financial statements. This reconciliation should detail the exclusions made to your Iowa property due to pollution control facilities, vehicles, locally assessed property, out of state property, and other items that are non taxable or not assessed.

All property tax exemptions in the Code do not apply to property subject to the statewide property tax unless such exemptions expressly refer to the statewide property tax, except that if property was exempt from property tax on January 1, 1999, such exemption shall continue until the exemption expires, is phased out, or is repealed. Example: Pollution control equipment would not be considered as taxable utility property if it was included in utility plant as of December 31, 1998. This equipment and all other existing pollution control equipment would be exempt until it expires. Pollution control equipment and other exempt property for which the exemptions do not refer to the statewide property tax would be considered taxable utility plant if installed during calendar year 1999 and thereafter.

Step 1A: Report separately, any major addition or disposal of any *new electric power generating plant built or sold after January 1, 2003* of more than \$10 million in acquisition cost made during calendar year 2008. If you have multiple plants to report, please attach an additional page.

Step 1B: Report separately, any major addition of gas property directly serving each *new electric power generating plant built or sold after January 1, 2003*. If you have multiple plants to report, please attach an additional page.

3. **Step 2:** Report the local amount of any major additions of an electric power generating plant made in calendar year 2008 by taxing district.

"Local amount" means the first forty-four million four hundred forty-four thousand four hundred forty-five dollars of the acquisition cost of any major addition which is an electric power generating plant and the total acquisition cost of any other major addition.

"Local amount" for the purposes of determining the local *taxable value* for a new electric power generating plant shall annually be determined to be equal up to the first forty-four million four hundred forty-four thousand four hundred forty-five dollars of the taxable value of the new electric power generating plant. "Local amount" for the purposes of determining the local *assessed value* for a new electric power generating plant shall be annually determined to be the percentage share of the taxable value of the new electric power generating plant allocated as the local amount multiplied by the total assessed value of the new electric power generating plant. The Department of Revenue will make these calculations.

"Major addition" means any acquisition on or after January 1, 1998, by a taxpayer, by transfer of ownership,

self-construction, or capital lease of any interest in any of the following:

- a. A building in this state where the acquisition cost of all interests acquired exceeds ten million dollars.
 - b. An electric power generating plant where the acquisition cost of all interests acquired exceeds ten million dollars. For purposes of this paragraph, "electric power generating plant" means each nameplate rated electric power generating plant owned solely or jointly by any person or electric power facility financed under the provisions of chapter 28F in which electrical energy is produced from other forms of energy, including all equipment used in the production of such energy through its step-up transformer.
 - c. Natural gas operating property within a local taxing district where the acquisition cost of all interests acquired exceeds one million dollars.
 - d. Any operating property in this state by a person not previously subject to taxation under this chapter.
 - e. Any acquisition on or after January 1, 2004, by a taxpayer, by transfer of ownership, self-construction, or capital lease of any interest in electric transmission operating property within a local taxing district where the acquisition cost of all interests acquired exceeds one million dollars.
4. **Step 3:** Report the excess amount of electric power generating plant major additions made in Iowa during calendar year 2008. This is the amount in excess of the first \$44,444,445 of net book value as reported in Step 2.
 5. **Step 4:** Report any other major additions not reported in steps 1A, 1B, 2, and 3 made in Iowa during calendar year 2008 by taxing district.
 6. **Step 5:** Report any building or electric power generating plant in Iowa of more than \$10 million acquisition cost placed in service by taxpayer prior to January 1, 2008, which was transferred or disposed of during calendar year 2008. To "dispose of" means to sell, abandon, decommission, or retire an asset. A "transfer" means a transaction which results in a change of ownership of taxpayer property and includes a capital lease transaction. The book value and taxing district code should be reported as of the time of disposal or transfer of property.
 7. **Step 6:** Report the local amount of any major addition eligible for urban revitalization exemption provided for in chapter 404, by situs.
 8. **Step 7:** Report all other transferred operating property that was not reported in Step 5 by local taxing district. A "transfer" means a transaction which results in a change of ownership of taxpayer property and includes a capital lease transaction. The book value and taxing district code should be reported as of the time of disposal or transfer of property.
 9. The attestation should be completed and signed by an authorized representative of the entity that can take responsibility for the accuracy of this report. The authorized representative may be an officer or employee of the entity making this report.
 10. If you complete the report using the electronic version, please note there are two tabs at the bottom of the screen titled Form C and Attestation. You will need to click on each tab to complete that portion of the report. The instructions for submitting the form are located on the Attestation page. If you have any questions, please contact the Property Tax Section at (515) 281-4040.